NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

PAID-UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this day of 2010, by and between, DONALD A. DELUKIE, JR., a married person, whose address is P.O. Box 777, Rogers, TX 76569-0777, as Lessor, and CHESAPEAKE EXPLORATION, LLC., an Oklahoma limited liability company, whose address is P.O. Box 18496. Oklahoma 215-04-096, as Lessee. All printed portions of this lesse were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

In consideration of a cash bonus in hand paid and the covenants herein contained. Lessor hereby grants, leases and lets exclusively to Lessee the following described

0.145511 acros of land more or less, being Lot 38, Block 1, Willow Wood Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, being a tract of of the James W. Oxford Survey, Abstract No. 221, according to the Plat thereof recorded in Cabinet A, Slide 8949, of the Plat Records of Tarrant County, and heing more particularly described in Document No. 0204235190 of the Deed Records, Tarrant County, Texas

in the County of Tarrant, State of TEXAS, containing <u>9.145511</u> gross acres, more or less (including any interests therein which Lessor may hereafter adquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith including geophysical/seismic operations). The term 'gas' as used herein includes helium, carbon dioxide and office commercial gases, as well as hydrocarbon gases. In addition to the above-described teased premises, this lesses covers accretions and any small strips or profess of land now or homefure owned by Lessor which are contiguous or adjacent to the above-described lessed premises, and, in consideration of the aforementationed cash bonus, Lessor agrees to exceute at Lessee's request any additional or supplemental instruments for a more complete or accounts describing of the fand so covered. For the purpose of determining be amount of any chut in explaines thereunder, the number of gross acres shows specified shall no decread current, whether actually more or lasts.

2. This lease, which is a 'tail-dup' lesse requiring no rentales, shall be inforce for a printery term of TRREE (3) years from the death effects whitehores, ownered before any account the described invalvation of the described invalvation or trip lesses is otherwise maintenant in

- 2. This lease, which is a 'paid-up' lease requiring no rentals, shall be imforce for a primary term of TRREE (3) years from the data hereof, and for as king thereafter as off again or their substances covered hereby are produced in poying quentities from the lease or from lands pooled thereby or the lease is otherwise maintened in effect ourstant to the provisions hereof.

 3. Royallies on oil, gas and other substances produced and saved hardunder shall be paid by Lesses to Easter as follows: (a) For oil and other figuid hydrocorbonic apparation or the substances in the region of the experience of the well-lead or to Lessor's credit at the original produced in the Lesses shall have the continuing right to outchase such production at the well-lead or to Lessor's credit at the earth field of if those to no such price then prevaiting in the same held, then in the person field in which there is such a prevailing princy for production of starker prome and gradity (f) for gas uncluding costanghead gas) and in other substances covered netery, the mystry soul to £00% of the processic realized by Lesses from the sale like each class a proportionare part of all valories have a for device or other sections of the received market price part of the marketing study because the delivering, processing or otherwise marketing study gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing market price part of the sale of the continuing right to purchase such production at the prevailing market price part of the continuing right to purchase such production at the prevailing market price part of the continuing right to purchase such production at the prevailing market price part of the production. marking such gas or other substances, provided that Lossec shall have the continuing right to purchase auon production at the prevailing well-representation or a more dealth of their is continuing in the same field, from in the near-start field in which their is could be providing in the same field, from in the near-start field in which their is could be providing price) pursuant to comparable produces entered into on the same or near-set proceding date as the date on which Lesses commences its purchase hereunder, and (c) if a time end of the primary term or any time therefore one or more wells on the lesses orenises or lands pouled therewith are capable of either producting oil or cas or other substances covered hereby in poying quantities or such wells are willing on hydraulic fracture stimulation, but such wells or wells are either shut-in or production therefrom is not being sold by Lesses, such well or wells shall newerinesses be deemed to be programed in paying quantities for the purpose or mandaling this rease. If or a purpose days such well or wells are shut-in or production therefrom is not being sold by Lesses, then be accommended the consequence days such well or wells are shut-in or production therefrom is not being sold by Lesses, then be accommended the consequence of being sold or Lesses, then be not of sold of Status went and therefore the overed by this issue, such payment to be made to besser or to beside oredit in the depository designated below, on or before the end of said 90 day period and thereafter on or before each ambientary of the end of said 90-day period while the well or wells are shut-in or production thereform is not being sood by besset; provided that if this issue is otherwise being mainfainted by operations, or if production is being each by besset from critical well or well or wells on the leased promises or lands pooled thereight, no shut-in regainty shall be due until the end of the 90-day period next following resisting of such apositions or production. Leasew's failure to properly pay shut-in develop shall render Lessee liable for the emount due, but shall not operate to terminate this leave.
- Lessee liable for the amount due, but shall not operate to terminate this lease.

 An idual-in country of the amount due, but shall not operate to terminate this lease.

 An idual-in country of the second of the lease shall be got of the discreted to Lesser or to Lesser's credit in at Lesser's address above or the second or the constitution of address above or the second or the constitution of address above or the second or the second or the decisions of the decision or the second or the second or the decision of the decis Lesses shall drill such additional wells on the leased premises or lands popled therewith as a reasonably prudent operator would drill under the same or similar discurnatances to (a) develop the leased premises as to formation then capable of producing in paying quantities on the leased premises or lands posted therewith, or (b) to protect the insect premises from uncompanied decinege by any wall or well facility and not consider the insect premises from uncompanied decinege by any wall or well facility and not consider the insect premises from uncompanied decinege by any wall or well facility and not consider the insect premises from uncompanied decinege by any wall or well facility and not consider the insect premises from uncompanied decined to deliver the insect premises from uncompanied decined to the construction of the cons
- accompanients except as expressly opinione network.

 G. Lasses shall have the night but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or saves, and so to any or all depths or saves, and so to any or all depths or saves, and so to any or all depths or saves, and so to any or all substances covered by this lease, either before or after the commencement of production, whenever Lease death include inside or interest. This production is not a save production of the save possing or an oil well writer is not an operation comments need to exceed the arease government of this and for a government of the save possing or an oil well writer is not an operation shall not exceed 540 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or oas well or horizontal. completion to softlem to any well appealing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of this foregoing, the terms followed and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no critiques as so prescribed by applicable law or the appropriate governmental authority, or, if no critiques as so prescribed by applicable law or the appropriate governmental authority, or, if no critiques as so prescribed by a property or some as the with an invarignment of the property feet or more per barrel, based on 24-hour production test conducted under normal producting conditions using standard lease separator facilities or equivalent testing Profession of profession read to the content of the profession of reworking operations on the leased premises, except that the production on which Leason's reveity is calculated shall be that proportion of the total unit production which the making such a fevision. Lesses shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the labbed provided from the unit by written of such modeling the properties of unit provided from the unit by written of such modeling, the properties of unit provided from the unit by written of such modeling, the properties of unit provided from the unit by written of such modeling, the properties of unit provided provided provided from the unit by the the unit by
- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shulein royalties payable hereunder for any well on any part of part of the lessed premises have in the first Anacc editor to the formation that I assort between the analyse of the lessed premises have in the first Anacc editor to
- Ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 50 days of the control of the project of the control of the contro Himmund Could may by a fundament with mystics to make a major or department awar in the department against place is at any time two or major properties of the provided provided in the department of the could be at the country of th station what respect to the baseferred interest, and fature or the houseaster in region was industrians with respect to the tegrate

- Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferse in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or fite of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced
- In accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads, canals, pipelines, the drilling of wells, and the construction and use of roads. primary and/or enessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed increasary by Lessee to discover, produces, store, treat and/or other substances produced on the leased premises store, treat and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted nerein shall apply (a) to the entire leased premises described in Paragraph 1 above, nowthistanding any partial releases or tenter partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops therefore. Lessee shall have the right at any time to remove its fixtures, 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority housing jurisdiction including nestrictions on the drilling and production of wells, and the gride of all, gas, and other substances covered for erroby. When drilling, reworking, production or other operations are prevented or dictored by such laws, rules, regulations or orders, or by inability to other necessary permits, edupment, services co

- Lastor a lease covering any or all of the substances covered by this rease and covering enter a pound of the lease, caucach proby agrees to notify Leases in withing of soil offer immediate, including in the notice the name and advices of the offers. The price offered and all other perthent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and ontion to purchase the lease or part thereof or indexed, covered by the offers at the price and according to the terms and conditions specified in the offer.

 12. No liftgation shall be initiated by Lessee with respect to any breach or default by Lessee heraunder, for a period of at least 90 days after Lessor has given Lessee written makes may describing the breach or default, and then only if Lossee fells to recordy the breach or defoult, within anyth period. In the svent the matter is highested and there is a final jurificial determination that a breach or default has consumed, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable.
- there is a final judicial determination to remedy the preach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the preach or detail and Lessee tests to the said.

 14. For the same confideration recited shows, Lessey hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual substitution easement under and through the leased premises for the placement of well borre easement under and through the leased premises of the placement of well borre selected by Lessee) from oil or gas wells the surface locations of which are not intended to develop the leased premises or fends pooled therewith and from which Lessee shell have no right to registly or other benefit. Such substitiate well borre easemants shall run with the land and survive any termination of this lessee.

 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee) hereunder, and agrees that Lessee is before the party to whom payment is made, and, in addition to its other rights, may retiniously its total course of the party to whom payment is made, and, in addition to its other rights, may retiniously the course of any control processees are more aware or any commission with Lessee is the course of any commission with Lessee is the surface of the leased premises of or drilling or other controls any organized to the contrary in this lease. Excess shall not have any rights to use the surface of the leased premises for drilling or other operations.
- operations
- 17. Caseon, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional parket of (2) years from the sid of the primary term by paying or tendering to Lessor prior to the end of the primary term is sum of \$300/buse along with the same terms and conditions as granted for this
 - 18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lesse payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lessor is the product of good faith negotiations. Lessor understands that these lesse payments and terms are find and that Lessor entered into this lesse without duress or undue influence. Lessor reconsives that lease values could do up or down depending on market conditions. Lessor acknowledges, the high act protect or different terms of the high act protect or different terms of the translation of this lesses that Leaser would get the highest protect or different terms of the party to this lesses will seek to alter the terms of this transaction based upon any differing terms which Lesses has or may negotiate with any other

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's halls, devisees, execution, administrators, successors and accions, whicher or not this lease has been executed by oil parties hardischore named as Leaser.

LESSOR (WHE) HER CINE OR MORE)

ACKNOWLEDGMENT

COUNTY OF TARRANT

NYD DU1

June

RHONDA GAYLE GELNER Notary Public, State of Texas My Commission Expires

November 08, 2013

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

KASTNER LAND SERVICES 777 MAIN ST. STE 3490 **FT WORTH, TX 76102**

Submitter: KASTNER LAND SERVICES

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

10/1/2010 12:47 PM

Instrument #:

D210242545

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\$20.00

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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: SLDAVES